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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE ALTA MESA RESOURCES,)
) Case No. 4:19-cv-00957
INC. SECURITIES LITIGATION)
_____)

REMOTE VIDEOTAPED DEPOSITION OF
KEVIN BOURQUE
MARCH 3, 2023
9:05 a.m. CST

Witness Appearing From:
Law Offices of Winston & Strawn LLP
800 Capitol Street
Suite 2400
Houston, Texas 77002

Conducted Remotely Via Videoconference

[PAGES INTENTIONALLY OMITTED]

1 system, that would be -- again, we all worked in the
2 same group. Alex was on the team with us. This
3 would have been something that I would have -- I
4 would have counseled my employees not to do is
5 don't -- don't bypass your teammates.

6 I don't know that Mike or Gene was trying
7 to do that. Again, this is Alex's assumption here.

8 Q. Your team disagreed with Mike and Gene's
9 logic for spacing?

10 MS. PRESTON: Objection, form.

11 A. We had several opinions and differences.
12 I mean, again, it was an open debate that was
13 regularly encouraged. I mean, we were able to have
14 communications.

15 Again, part of the reason for reminding
16 Cathy to not enable anybody is we want to keep that
17 fostered environment where people are able to be
18 heard. Just because we have an opinion doesn't mean
19 we're right or it doesn't mean we're the only one.

20 Q. Who made the ultimate decisions on well
21 spacing? Was it Mike and Gene?

22 MS. PRESTON: Objection, form.

23 A. I would have taken my direction from Mike
24 Ellis. He was my boss.

25 Q. Do you think Gene Cole also had input?

[PAGES INTENTIONALLY OMITTED]

1 provide a high -- I'll call it a high rate of lift
2 to be able to draw down the pressure in the
3 wellbore.

4 Q. So an ESP alone cannot increase the
5 recoverable reserves?

6 MS. PRESTON: Objection, form.

7 A. Correct.

8 Q. Do you know someone by the name of Lance
9 Weaver?

10 A. I do.

11 Q. What was his role at Alta Mesa?

12 A. I believe his title was investor
13 relations.

14 Q. Was Mr. Chappelle involved in the
15 decisions regarding whether or not to use ESPs?

16 MS. PRESTON: Objection, form.

17 A. Not that I recall. Would not have been --
18 would not have normally been that he would come
19 around and tell us what type of lift mechanism to
20 use.

21 Q. Do you recall whether investors were
22 interested -- strike that.

23 Did you ever meet with investors regarding
24 ESPs?

25 A. Not that I specifically recall.

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IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

)
IN RE: ALTA MESA)
RESOURCES, INC.)
SECURITIES LITIGATION)
)
) CIVIL ACTION
)
) NO.: 4:19-cv-00957
)

ORAL AND VIDEOTAPED DEPOSITION OF
JOHN Q. CAMPBELL, JR.
JUNE 23, 2023
(Reported Remotely)

ORAL AND VIDEOTAPED DEPOSITION OF JOHN Q. CAMPBELL,
JR., produced as a witness at the instance of the
Plaintiff, and duly sworn, was taken in the above-styled
and numbered cause on the JUNE 23, 2023, from 2:16 p.m.
to 4:38 p.m. before Kelly Bryant, CSR in and for the
State of Texas, reported by machine shorthand, pursuant
to the Federal Rules of Civil Procedure and the
provisions stated on the record or attached hereto.

[PAGES INTENTIONALLY OMITTED]

1 Q. (BY MR. SMITH) Are -- are you familiar with
2 the -- the phrase "wells per section"?

3 A. Yes.

4 Q. Okay. And I'll -- I may refer to that as just
5 WPS, the acronym WPS, just to let you know that I'm
6 referring to wells per section.

7 Did -- do you recall whether anybody on
8 the Riverstone technical team reviewed any of the well
9 spacing tests that the company had conducted up to June
10 2017?

11 MR. PETERS: Objection, form.

12 A. I don't recall that we reviewed any spacing in
13 that -- in that time period.

14 Q. (BY MR. SMITH) Did you ever have any
15 understanding that the Riverstone technical team was
16 brought on to provide an opinion to Riverstone as to
17 whether any WPS assumption that Alta Mesa management had
18 come up with was reasonable?

19 MR. PETERS: Objection to form.

20 A. We weren't asked to -- to approve the wells
21 per section that you're talking about. That -- that
22 wasn't our focus.

23 Q. (BY MR. SMITH) Okay. Was your -- was any
24 part of your focus providing any opinion to Riverstone
25 regarding the reasonableness of the EUR assumptions that

1 Alta Mesa had arrived at?

2 MR. PETERS: Objection to form.

3 A. I mean we've looked at the stuff that was
4 presented, that they presented at the time, and, you
5 know, were asked to opine on if that was reasonable or
6 not.

7 Q. (BY MR. SMITH) Okay. So just to make the
8 record clear, you -- you were asked to provide an
9 opinion. And when I say "you," I'm referring to the
10 Riverstone technical team was asked to provide an
11 opinion to Riverstone regarding the reasonableness of
12 Alta Mesa's type curve assumptions?

13 MR. PETERS: Objection, form.

14 A. We didn't specifically review detailed type
15 curves. We -- we were asked to go and look and see if
16 everything, you know -- we were -- did it make sense to
17 us and, you know, was it reasonable, so...

18 Q. Okay.

19 A. As far as digging into type curves and doing
20 all that technical work, we had very little involvement
21 in the -- in the early stages of this.

22 Q. Okay. And when you -- when you say the early
23 stages, can you be a little bit more specific what
24 you're referring to?

25 A. Prior to the fourth quarter of 2018.

[PAGES INTENTIONALLY OMITTED]

1 or as a result of the Riverstone technical team's work,
2 do you recall whether there were any specific opinions
3 that were given to Riverstone regarding that work?

4 A. No.

5 MR. PETERS: Objection to form.

6 Q. (BY MR. SMITH) Okay. Do you recall whether
7 the opinions were delivered in writing?

8 MR. PETERS: Objection to form.

9 A. I -- I don't recall.

10 Q. (BY MR. SMITH) Do you recall whether they
11 were communicated orally?

12 A. I'm sure that, you know, they asked us, you
13 know, if we saw anything concerning or what we thought,
14 so, yeah.

15 Q. All right. Thank you. We'll come back to
16 that document. I'll -- I'll let you know when we're
17 ready to open that back up again.

18 Sir, again, I just want to make the record
19 clear. So with regard to the Riverstone technical
20 team's involvement in the SPAC deal, can you tell me
21 precisely when you first learned that your services
22 would be needed?

23 MR. PETERS: Objection, form.

24 A. I don't know the date when -- when we sent,
25 but we were asked to go meet with the management team

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IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE: ALTA MESA)
RESOURCES, INC.) CASE NO. 4:19-cv-00957
SECURITIES LITIGATION)

ORAL VIDEOTAPED DEPOSITION

MARK CASTIGLIONE

July 7, 2023

ORAL VIDEOTAPED DEPOSITION OF MARK CASTIGLIONE,
produced as a witness at the instance of the
Plaintiff and duly sworn, was taken remotely by Zoom
in the above-styled and numbered cause on the 7th day
of July, 2023, from 12:14 p.m. Central to 3:18 p.m.
Central, before Shauna Foreman, Certified Shorthand
Reporter in and for the State of Texas, reported by
computerized stenotype machine, pursuant to the
Federal Rules of Civil Procedure and the provisions
stated on the record or attached hereto.

[PAGES INTENTIONALLY OMITTED]

1 that meeting.

2 Q. (BY MR. SMITH) Understood.

3 And do you recall that first day's
4 meeting on the 7th, that it was TPH that made a
5 presentation?

6 MR. PETERS: Objection to form.

7 A. Actually, I don't remember that.

8 Q. (BY MR. SMITH) All right. So at any time
9 during 2017, did Riverstone ask you to independently
10 assess any of the work that TPH had done for
11 Riverstone in connection with the potential merger of
12 Alta Mesa and KFM?

13 MR. PETERS: Objection to form.

14 A. I don't recall that request.

15 Q. (BY MR. SMITH) All right. Prior to
16 June 7th or June 8th, do you recall Riverstone asking
17 you to provide it with any opinion regarding Alta
18 Mesa operational data?

19 MR. PETERS: Objection to form.

20 A. No, I don't recall that.

21 Q. (BY MR. SMITH) Okay. Do you recall
22 submitting any written opinion to Riverstone
23 regarding your attendance at those two days' meetings
24 at Alta Mesa's headquarters?

25 MR. PETERS: Objection. Form.

1 A. I could not recall submitting a written
2 review.

3 Q. (BY MR. SMITH) All right. Did you provide
4 anybody at Riverstone an oral opinion about what you
5 saw on June 7th and June 8th, 2017?

6 MR. PETERS: Objection to form.

7 A. I don't really remember.

8 Q. (BY MR. SMITH) Now, I think you suggested
9 that there were some subsequent meetings that you
10 were involved in; is that right?

11 A. Yes.

12 Q. Do you recall approximately how many?

13 A. It was maybe two others that I recall. I
14 know we had -- I believe we had a meeting with TPH.
15 I believe we also had a meeting with JPMorgan. And
16 those two, I remember. There may have been others,
17 but those -- those two, I remember.

18 Q. Okay. I want to kind of go through those
19 two meetings.

20 Do you recall approximately when the
21 meeting with TPH occurred?

22 A. No, I don't. I don't remember -- I don't
23 remember.

24 Q. Was it -- was it after the
25 June 7th/June 8th meeting in Houston?

[PAGES INTENTIONALLY OMITTED]

1 Q. (BY MR. SMITH) Okay. Do you have -- do
2 you have a general recollection of what TPH
3 presented?

4 A. The only thing -- the thing I remember was
5 really a review of the geology and reserves
6 associated with the opportunity. I'm sure there was
7 more to it, but that's all I recall.

8 Q. Thank you. And so, I'll just ask some
9 similar questions, but I'll be a little bit more
10 specific.

11 Did you or any member of your team
12 provide Riverstone any type of opinion regarding the
13 STACK geology after that meeting?

14 MR. PETERS: Objection. Form.

15 A. I don't recall providing that.

16 Q. (BY MR. SMITH) Okay. Did Riverstone ask
17 you to provide any type of opinion, the team, any
18 opinion to it regarding Alta Mesa reserves in the
19 STACK?

20 MR. PETERS: Objection to form.

21 A. I don't recall that specifically.

22 Q. (BY MR. SMITH) Maybe I can ask you just a
23 general question.

24 Between June 2017 and January 30th --
25 January 31st, 2018, did Riverstone ask you to provide

1 it any type of opinion regarding any type of
2 assumption that was being built into a valuation
3 model of the joint assets?

4 MR. PETERS: Objection to form.

5 A. I do not recall being asked to provide an
6 opinion.

7 Q. (BY MR. SMITH) You know what the acronym
8 EUR means?

9 A. Yes.

10 Q. Did you or any member of your team provide
11 Riverstone any type of opinion regarding the
12 reasonableness of the EUR assumption that Alta Mesa
13 was using for purposes of the potential deal?

14 MR. PETERS: Objection. Form.

15 A. I do not recall providing that.

16 Q. (BY MR. SMITH) You're familiar with the
17 acronym wells per section or well spacing?

18 A. Yes, sir. Yes, sir.

19 Q. Same question. Do you recall any opinion
20 that was provided by the Meridian team regarding any
21 well spacing assumptions that Alta Mesa had been
22 utilizing for purposes of its valuation model?

23 MR. PETERS: Objection to form.

24 A. No. I don't recall.

25 Q. (BY MR. SMITH) At any time between

1 June 2017 and the end of January 2018 did Riverstone
2 ask you to provide it any opinion regarding the
3 fairness of the estimated enterprise value of the
4 merged assets? And the merged assets being Alta Mesa
5 Holdings less operations outside of the STACK plus
6 KFM.

7 MR. PETERS: Objection. Form.

8 A. I do not recall being asked to do that.

9 MR. SMITH: Okay. Why don't you bring
10 up Exhibit 95, please?

11 Q. (BY MR. SMITH) And, Mr. Castiglione, we're
12 going to bring up what has been previously marked as
13 Exhibit 95. And I'll represent to you that you're
14 not on this -- you're not a recipient, a sender, or a
15 cc on this e-mail. Just take a look at it -- it's a
16 single e-mail -- and I just have a basic question for
17 you.

18 A. Okay.

19 Q. Okay. I want to direct your attention to
20 the data that's in the center of this exhibit. And
21 my question is specifically directed towards the
22 table above that has the Average Spacing, Well
23 Spacing per -- divided by 750, MBO, 250 Type,
24 EUR/Type -- do you see those columns in that table?

25 A. Yes.

[PAGES INTENTIONALLY OMITTED]

1 Q. (BY MR. SMITH) Okay. And then -- so
2 Mr. Karian forwarded you the IC memo on the 9th,
3 right?

4 MR. PETERS: Objection. Form.

5 A. I believe he -- he forwarded me -- as I
6 review this e-mail, what he forwarded to me was
7 Chelsea's e-mail and the slides attached to that
8 e-mail.

9 Q. (BY MR. SMITH) Right. So that's fair. So
10 on the 9th, he forwards you the deck, correct?

11 A. I'm sorry. He forwarded me the what?

12 Q. Well, there's -- there's a PowerPoint
13 presentation or a deck attached to the e-mail, right?

14 A. Oh, yes. Yes.

15 (Simultaneous cross-talk.)

16 Q. (BY MR. SMITH) -- he forwarded you that
17 deck on the 9th, right?

18 MR. PETERS: Objection. Form.

19 A. That's what it appears to be from the
20 e-mail.

21 Q. (BY MR. SMITH) Okay. And he says, "More
22 looks that at it" -- strike that.

23 He said, "More looks that at it that
24 make me uncomfortable."

25 Do you see that?

1 A. I do see that.

2 Q. Do you recall responding to that?

3 A. I may have responded to that. I don't
4 recall specifically.

5 Q. Do you recall what your response was?

6 A. I'm not sure.

7 Q. We'll get to the exhibit here, but I'll
8 just represent for the record that you had a one-word
9 response to it the same day. You said, "Agreed."

10 A. Okay.

11 Q. At the time that you said you agreed with
12 Mr. Karian's statement here, did you understand what
13 you were agreeing with?

14 MR. PETERS: Objection. Form.

15 A. No, I do not.

16 Q. (BY MR. SMITH) Do you presume that you
17 didn't understand what you were agreeing with when
18 you sent your e-mail?

19 MR. PETERS: Objection. Form.

20 A. This was six years ago, so I'm not really
21 sure.

22 Q. (BY MR. SMITH) No, and I understand. Just
23 to the best of your recollection. I'm just trying to
24 figure out what you were agreeing with that made
25 Mr. Karian uncomfortable about the whatever.

1 MR. PETERS: Objection to form.

2 A. I do not recall.

3 Q. (BY MR. SMITH) Do you think it would be a
4 fair interpretation of this document that Mr. Karian
5 was saying the more times he looks at the potential
6 deal, the more uncomfortable he was becoming with it?

7 MR. PETERS: Objection to form.

8 A. I can't really say what Mr. Karian meant in
9 his e-mail.

10 MR. SMITH: Let's bring up the next
11 document.

12 (Exhibit 720 marked)

13 Q. (BY MR. SMITH) We're going to bring up
14 your e-mail where you responded to it, and then we'll
15 take a break. It will just take me a couple minutes
16 here. And this will be marked as Plaintiffs'
17 Exhibit 720.

18 Mr. Karian -- I apologize.
19 Mr. Castiglione, this is just a single page e-mail.
20 It's just a continuation of the prior exhibit. And I
21 just want to ask you simple questions regarding your
22 response.

23 A. Sure.

24 Q. Okay. Does this document refresh your
25 recollection about what you were agreeing to?

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Page 1	Page 3
Page 2	Page 4
<p>1 IN THE UNITED STATES BANKRUPTCY COURT</p> <p>2 FOR THE SOUTHERN DISTRICT OF TEXAS</p> <p>3 HOUSTON DIVISION</p> <p>4</p> <p>In re: : CHAPTER 11</p> <p>5 ALTA MESA RESOURCES, : </p> <p>INC., et al., Debtors. : </p> <p>6 : Case No. 19-351333</p> <p>ALTA MESA HOLDINGS, LP : (MI)</p> <p>7 and OKLAHOMA ENERGY : </p> <p>ACQUISITIONS, LP, : </p> <p>8 Plaintiffs, : (Joint Administration</p> <p>: Requested)</p> <p>9 vs. : </p> <p>: </p> <p>10 KINGFISHER MIDSTREAM, : ADVERSARY PROCEEDING</p> <p>LLC, et al., : 19-3609</p> <p>11 Defendants. : </p> <p>12</p> <p>13</p> <p>14 VIDEOTAPED ORAL DEPOSITION OF</p> <p>15 HARLAN H. CHAPPELLE</p> <p>16 CONFIDENTIAL</p> <p>17</p> <p>18 Called as a witness by Counsel for the</p> <p>19 Kingfisher Parties, taken before Peggy Ann Antone, a</p> <p>20 Certified Shorthand Reporter in and for the State of</p> <p>21 Texas, on October 25, 2019, beginning at 9:01 a.m., at</p> <p>22 the offices of Winston & Strawn, 1111 Louisiana Street,</p> <p>23 25th Floor, Houston, Texas, pursuant to the Federal</p> <p>24 Rules of Civil Procedure and the following stipulation</p> <p>25 and agreement of counsel:</p>	<p>1 COUNSEL FOR KINGFISHER MIDSTREAM, LLC, et al.,</p> <p>2 Defendants:</p> <p>3 Quinn Emanuel Urquhart & Sullivan, LLP</p> <p>4 CHRISTOPHER PORTER</p> <p>5 DEVIN VAN DER HAHN</p> <p>6 Pennzoil Plaza, 711 Louisiana, Suite 500</p> <p>7 Houston, Texas 77002</p> <p>8 Phone: 713.221.7007</p> <p>9 Fax: 713.221.7400</p> <p>10 Chrisporter@quinnemanuel.com</p> <p>11 Devinvanderhahn@quinnemanuel.com</p> <p>12</p> <p>13 COUNSEL FOR THE WITNESS:</p> <p>14 Winston & Strawn LLP</p> <p>15 ROLF S. WOOLNER</p> <p>16 333 South Grand Avenue, 38th Floor</p> <p>17 Los Angeles, California 90071-1543</p> <p>18 Phone: 213.615.1831</p> <p>19 Fax: 213.615.1750</p> <p>20 Rwoolner@winston.com</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>
<p>1 A P P E A R A N C E S</p> <p>2 COUNSEL FOR ALTA MESA HOLDINGS, LP and OKLAHOMA ENERGY</p> <p>3 ACQUISITIONS, LP, Plaintiffs:</p> <p>4 Robbins, Russell, Englert, Orseck, Untereiner &</p> <p>5 Sauber LLP</p> <p>6 LAWRENCE S. ROBBINS</p> <p>7 RALPH C. MAYRELL</p> <p>8 2000 K Street, NW, 4th Floor</p> <p>9 Washington, DC 20006</p> <p>10 Phone: (202) 775-4501</p> <p>11 Fax: (202) 775-4510</p> <p>12 Lrobbins@robbinsrussell.com</p> <p>13 Rmayrell@robbinsrussell.com</p> <p>14 AND</p> <p>15 Foley & Lardner LLP</p> <p>16 MICHAEL RIORDAN</p> <p>17 1000 Louisiana Street, Suite 2000</p> <p>18 Houston, Texas 77002-2099</p> <p>19 Phone: 713.276.5500</p> <p>20 Fax: 713.276.5555</p> <p>21 Mriordan@foley.com</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p>1 A P P E A R A N C E S (Continued)</p> <p>2</p> <p>3 COUNSEL FOR THE WITNESS (Continued):</p> <p>4 And</p> <p>5 Winston & Strawn LLP</p> <p>6 KATHERINE A. PRESTON</p> <p>7 1111 Louisiana Street, 25th Floor</p> <p>8 Houston, TX 77002-5242</p> <p>9 Phone: 713.651.2699</p> <p>10 Fax: 713.651.2700</p> <p>11 Kpreston@winston.com</p> <p>12</p> <p>13 COUNSEL FOR SPONSORS:</p> <p>14 Vinson & Elkins LLP</p> <p>15 MANUEL G. BERRELEZ</p> <p>16 Trammell Crow Center</p> <p>17 2001 Ross Avenue, Suite 3900</p> <p>18 Dallas, Texas 75201-2975</p> <p>19 Phone: 214.220.7709</p> <p>20 Fax: 214.999.7709</p> <p>21 Mberrelez@velaw.com</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>

[PAGES INTENTIONALLY OMITTED]

<p style="text-align: right;">Page 57</p> <p>1 THE VIDEOGRAPHER: Disc 2. We're on back</p> <p>2 on the record. Disc 2.</p> <p>3 Q. (BY MR. PORTER) Mr. Chappelle, we're back from</p> <p>4 a break and before we broke, we were going through the</p> <p>5 complaint.</p> <p>6 Do you recall that?</p> <p>7 A. I do.</p> <p>8 Q. And talking about different topics that you</p> <p>9 discussed with the plaintiffs' lawyer?</p> <p>10 A. Correct.</p> <p>11 Q. Okay. And we're going to come back to that in</p> <p>12 a little bit, but before we do, you're obviously</p> <p>13 familiar with the gathering agreements that are at issue</p> <p>14 in this dispute; correct?</p> <p>15 A. Yes.</p> <p>16 Q. Okay. We have, again, the 2015 crude and</p> <p>17 oil -- and gas agreement; right?</p> <p>18 A. Uh-huh.</p> <p>19 Q. And the 2016 --</p> <p>20 A. Right.</p> <p>21 Q. -- amended? Okay.</p> <p>22 Now -- and I'm sorry, sir, just so the</p> <p>23 court reporter can get everything down, if you can wait</p> <p>24 for me to finish my question before you give me an</p> <p>25 answer, and then I will wait for you to answer before I</p>	<p style="text-align: right;">Page 59</p> <p>1 ownership was subject to a -- what we would refer to as</p> <p>2 a waterfall calculation at a liquidity event. In other</p> <p>3 words, at the time in the future where we would sell the</p> <p>4 company, somehow dispose of the assets to provide</p> <p>5 Highbridge its exit from this investment, and -- and</p> <p>6 possibly management, for that matter. An IPO would be</p> <p>7 an example of a liquidity event that would be -- that</p> <p>8 would be contemplated in that agreement.</p> <p>9 And when we say waterfall, the waterfall</p> <p>10 essentially was where management, Ellis and Chappelle,</p> <p>11 primarily, would expose themselves to owning zero if</p> <p>12 Highbridge didn't achieve its financial goals and give</p> <p>13 it -- give itself the opportunity to have a substantial</p> <p>14 equity stake, on a percentage basis, if we were very,</p> <p>15 very successful.</p> <p>16 And -- and so that was -- and it's not an</p> <p>17 uncommon, in my experience, form of -- of a private</p> <p>18 equity investment.</p> <p>19 Q. And do you recall the ownership structure of</p> <p>20 Kingfisher at the time that the 2015 gathering</p> <p>21 agreements were executed?</p> <p>22 A. Yes. It was -- it was Highbridge owning</p> <p>23 about -- owning 40 percent, to my recollection, 30</p> <p>24 percent for ARM, or ARM Energy Management. I'm not sure</p> <p>25 which ARM entity. And then 30 percent for Alta Mesa or</p>
<p style="text-align: right;">Page 58</p> <p>1 jump in with another question.</p> <p>2 A. Okay.</p> <p>3 Q. Sometimes you'll --</p> <p>4 A. I just did it again.</p> <p>5 Q. Yeah. You'll know where I'm going and</p> <p>6 sometimes we have a tendency to jump in. But just --</p> <p>7 you know, we'll -- we just want to make sure that we</p> <p>8 have a clean record for the court reporter. Is that</p> <p>9 okay?</p> <p>10 A. Yes.</p> <p>11 Q. Okay. Now, do you recall the ownership</p> <p>12 structure of AMH at the time that it executed the 2015</p> <p>13 gathering agreements?</p> <p>14 A. Yes.</p> <p>15 Q. Okay. Can you explain that to me, please.</p> <p>16 A. The -- the equity owners of AMH were -- were</p> <p>17 housed in High Mesa, and -- and I can't recount for you</p> <p>18 the exact corporate structure of that in terms of LLCs,</p> <p>19 GPs and -- and C Corps, but -- but, in effect, High Mesa</p> <p>20 owned Alta Mesa Holdings and High Mesa shareholders were</p> <p>21 Michael Ellis, Hal Chappelle, de minimis interests in --</p> <p>22 in Dale Hayes, and -- and then Highbridge. And I don't</p> <p>23 know if they were known as Highbridge Principal</p> <p>24 Strategies at the time, but Highbridge.</p> <p>25 The -- the split, if you will, of that</p>	<p style="text-align: right;">Page 60</p> <p>1 High Mesa.</p> <p>2 High Mesa or Alta Mesa, again, I'm not sure</p> <p>3 where the ownership resided, also owned a 10 percent</p> <p>4 stake in a part of ARM; therefore, that meant that we</p> <p>5 effectively had a 33 percent ownership in KFM and ARM a</p> <p>6 27 percent ownership.</p> <p>7 Q. Okay. Now, do you know if the equity structure</p> <p>8 of AMH changed significantly between the time that the</p> <p>9 parties initiated the 2015 agreements until the time</p> <p>10 that they executed the amended and restated agreements</p> <p>11 of 2016?</p> <p>12 A. I believe that Bayou City Energy Management</p> <p>13 made an equity investment in Alta Mesa, or High Mesa, in</p> <p>14 late 2016, and so that changed the equity ownership of</p> <p>15 AMH.</p> <p>16 Q. But AMH and -- and Kingfisher were not under</p> <p>17 common control at the time they executed the 2015 and</p> <p>18 2016 agreements; correct?</p> <p>19 A. Correct.</p> <p>20 Q. Now, I think you may have talked about this</p> <p>21 early on, but what does AMH do as its primary business?</p> <p>22 A. Exploration and production of oil and gas.</p> <p>23 Q. And it does that in the Anadarko basin;</p> <p>24 correct?</p> <p>25 A. Today, it's -- that's the only place where it</p>

[PAGES INTENTIONALLY OMITTED]

<p style="text-align: right;">Page 137</p> <p>1 achieve financially.</p> <p>2 Q. And then below that, it says, "Joint venture</p> <p>3 achieves superior economics based on the following."</p> <p>4 Do you see that?</p> <p>5 A. I do.</p> <p>6 Q. And what joint venture is referred to here,</p> <p>7 sir?</p> <p>8 A. This joint venture, this is -- Paul Williams</p> <p>9 put this together, really sharp guy at ARM, and what he</p> <p>10 was essentially saying is we together, because we didn't</p> <p>11 know if Highbridge would be part of this or not, have</p> <p>12 the opportunity to build out this -- this purpose-built</p> <p>13 midstream operation in Kingfisher County.</p> <p>14 Q. And the fourth of the bullet points that this</p> <p>15 presentation lists is called -- is -- says "Equity</p> <p>16 Participation and Upside".</p> <p>17 Do you see that?</p> <p>18 A. I do.</p> <p>19 Q. What do you understand that to refer to,</p> <p>20 please?</p> <p>21 A. That part of the consideration for this could</p> <p>22 be that -- that Alta Mesa as the producer, ARM as the</p> <p>23 supplier, a potential developer of this, would both have</p> <p>24 an equity stake.</p> <p>25 Q. In what?</p>	<p style="text-align: right;">Page 139</p> <p>1 bottom e-mail is from a fellow named Mike Ellis?</p> <p>2 A. Yes.</p> <p>3 Q. Can you tell me who was -- who he is?</p> <p>4 A. Mike Ellis was the chairman of Alta Mesa and</p> <p>5 the principal shareholder outside of -- of Highbridge.</p> <p>6 Q. And he --</p> <p>7 A. He's the chief operating officer as well.</p> <p>8 Q. He is the fellow who brought you into the</p> <p>9 business; correct?</p> <p>10 A. He is. And in our relationship he reported to</p> <p>11 me on a day-to-day basis and because he was the chairman</p> <p>12 of the board, I guess I reported to him as the</p> <p>13 president.</p> <p>14 Q. And did you understand, sir, that he had some</p> <p>15 concerns about the proposed fees that KFM was going to</p> <p>16 be charging under the gathering agreements?</p> <p>17 A. I did.</p> <p>18 Q. He communicated those to you?</p> <p>19 A. In this e-mail.</p> <p>20 Q. In your e-mail second from the top you say,</p> <p>21 "Mike is not letting go and now is pointing to Mustang's</p> <p>22 most recent proposal."</p> <p>23 Do you see that, sir?</p> <p>24 A. I see that, yeah, that he's -- yes. Yeah.</p> <p>25 Q. And the Mike is Mike Ellis?</p>
<p style="text-align: right;">Page 138</p> <p>1 A. In the entity that ultimately gets built.</p> <p>2 Q. Which was KFM; correct?</p> <p>3 A. Which ended up being KFM; correct.</p> <p>4 Q. All right.</p> <p>5 A. Yeah, I don't know if we even called it</p> <p>6 Kingfisher Midstream at this time, but, yeah.</p> <p>7 Q. 141, please. We'll mark the next exhibit. You</p> <p>8 can set that aside, please.</p> <p>9 (Discussion off the stenographic record.)</p> <p>10 A. I'm fine with going to -- through this one</p> <p>11 exhibit and then let's just have lunch.</p> <p>12 Q. (BY MR. ROBBINS) That's fine.</p> <p>13 A. Does that work for you?</p> <p>14 Q. Of course.</p> <p>15 A. Okay.</p> <p>16 (Exhibit 4 was marked.)</p> <p>17 Q. (BY MR. ROBBINS) All right, sir. I have</p> <p>18 marked this as Chappelle 4, e-mail chain, AMRAP-1399634</p> <p>19 to 35, headed at the top by an e-mail from Zach Lee, but</p> <p>20 the next to the -- the next to the top e-mail, it's from</p> <p>21 you; correct?</p> <p>22 A. Correct.</p> <p>23 Q. You recognize this e-mail chain?</p> <p>24 A. I do. You showed this to me yesterday.</p> <p>25 Q. All right. So, sir, let me ask you: The</p>	<p style="text-align: right;">Page 140</p> <p>1 A. I believe it is Mike Ellis. There's three</p> <p>2 Mikes in this e-mail, so it might be that I'm incorrect,</p> <p>3 but I -- but I interpret it as Mike Ellis.</p> <p>4 Q. All right.</p> <p>5 A. Because Mike and I had and continue to have a</p> <p>6 very, very aggressive relationship on getting the</p> <p>7 right -- to the right answer. And so --</p> <p>8 Q. And he's been in this line of business -- as of</p> <p>9 2015, how long has he been in that business?</p> <p>10 A. Mike and I are about two weeks apart in our</p> <p>11 birth date within the industry long -- as the same</p> <p>12 amount of time, virtually.</p> <p>13 Q. All right. So --</p> <p>14 A. He founded Alta Mesa in 1987.</p> <p>15 Q. You said you wanted to do one more exhibit</p> <p>16 before lunch and we've just finished that exhibit. How</p> <p>17 long would you like for lunch?</p> <p>18 MR. WOOLNER: Let's go off the record.</p> <p>19 MR. ROBBINS: All right.</p> <p>20 THE VIDEOGRAPHER: 12:24. Off the record.</p> <p>21 (Recess taken from 12:24 p.m. to</p> <p>22 12:59 p.m.)</p> <p>23 THE VIDEOGRAPHER: 12:59. Back on record.</p> <p>24 Disc 4.</p> <p>25 (Exhibit 5 was marked.)</p>

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CONFIDENTIAL

Page 1

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE ALTA MESA RESOURCES,)
) Case No. 4:19-cv-00957
INC. SECURITIES LITIGATION)
_____)

REMOTE VIDEOTAPED DEPOSITION OF
DONALD SINCLAIR
MAY 2, 2023
9:18 a.m. CDT

****CONFIDENTIAL****

Witness Appearing From:
Law Offices of Latham & Watkins LLP
Houston, Texas

Conducted Remotely Via Videoconference

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1 Alta Mesa Resources was being formed by the
2 combination of two companies, one of which was a
3 midstream company?

4 A. He told me that there was a midstream
5 component to Alta Mesa.

6 Q. And you had substantial experience in the
7 midstream business, correct?

8 A. Yes, ma'am.

9 Q. Did you also have experience in the
10 upstream side of the oil and gas business?

11 A. Not directly.

12 Q. Would you say you had more experience in
13 midstream as opposed to upstream?

14 A. Professionally, correct.

15 (Reporter Clarification)

16 A. I said, professionally, that is correct.

17 Q. And could you put a number on the number
18 of years you were involved professionally in the
19 midstream business?

20 A. 21.

21 Q. 21 years?

22 A. Yes, ma'am.

23 Q. You testified earlier that Mr. -- that you
24 asked Mr. Hackett who else was going to be on the
25 board of Alta Mesa Resources. When he told you

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IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE: ALTA MESA §
RESOURCES, INC. § CASE NO. 4:19-cv-00957
SECURITIES LITIGATION §

ORAL AND VIDEOTAPED DEPOSITION OF HARLAN H. CHAPPELLE
APRIL 19, 2023

ORAL AND VIDEOTAPED DEPOSITION OF HARLAN H.
CHAPPELLE, produced as a witness at the instance of the
Plaintiffs and duly sworn, was taken in the above styled
and numbered cause on Wednesday, April 19, 2023, from
9:11 a.m. to 6:08 p.m., before Janalyn Elkins, CSR, in
and for the State of Texas, reported by computerized
stenotype machine, viz Zoom, pursuant to the Federal
Rules of Civil Procedure and any provisions stated on
the record herein.

[PAGES INTENTIONALLY OMITTED]

1 and we had the Hunton. But in the Mississippian portion
2 of those sections, we proceeded on a plan to develop
3 multi-well patterns.

4 Q. (BY MR. BRODEUR) Did Alta Mesa ever drill 12
5 horizontal -- strike that.

6 During the time that you were at Alta Mesa,
7 did Alta Mesa ever drill 12 or more horizontal wells in
8 a section?

9 MR. BERGER: Objection, form.

10 THE WITNESS: I don't recall that we ever
11 got to that point during the period that I was there.

12 Q. (BY MR. BRODEUR) You see one of the tests
13 listed in the left column is LNU? Do you see that?

14 A. I do.

15 Q. The LNU was a five-well pattern?

16 A. That's what it says there, yes.

17 Q. Or a five-well test?

18 A. Yeah, it's five wells.

19 Q. Would you describe the performance of the wells
20 in the LNU as strong?

21 MR. BERGER: Objection, form.

22 THE WITNESS: There's a lot to -- that goes
23 into whether something is strong or not. And if we take
24 one particular pattern or section, we have to take into
25 account historic production from vertical wells in that

[PAGES INTENTIONALLY OMITTED]

1 projections shown here under Alta Mesa projections on
2 page 173 of the proxy, did anyone at Riverstone or
3 Silver Run ask you whether they were reasonable in your
4 judgment?

5 A. I don't recall a specific conversation of that.
6 But the entirety of the process going back to the very
7 first conversation with Jim and then the ongoing
8 iterative deliberations on this would necessarily give
9 everybody insight into the context, the veracity, the --
10 you know, just the entire -- the entirety of those
11 projections.

12 So I think the process itself is one that
13 created confidence. But if you ask me if there was a
14 specific conversation where that table was asked, I -- I
15 don't recall that.

16 Q. You would agree with me that the EBITDAX
17 numbers for 2018 and 2019 would be something that would
18 be very important to Silver Run investors in their
19 consideration of the business combination, correct?

20 MR. BERGER: Objection, form.

21 THE WITNESS: I agree the EBITDAX is one of
22 many things that would be important to investors,
23 EBITDAX outlooks.

24 Q. (BY MR. BRODEUR) Do you know when these
25 projections -- you know, between the Alta Mesa

[PAGES INTENTIONALLY OMITTED]

1 package for your services as a CEO, correct?

2 A. To my greatest recollection, that's correct.

3 Q. So you -- is it your testimony that you
4 owned -- sort of indirectly had an ownership interest in
5 Alta Mesa Resources through your ownership interest in
6 High Mesa?

7 MR. BERGER: Objection, form.

8 THE WITNESS: Could you repeat the
9 question?

10 Q. (BY MR. BRODEUR) Did you own an indirect
11 interest in Alta Mesa Resources through your ownership
12 of High Mesa?

13 MR. BERGER: Objection, form.

14 THE WITNESS: Yeah, I considered it a
15 beneficial ownership.

16 Q. (BY MR. BRODEUR) So did High Mesa have an
17 earnout provision as part of the business combination?

18 MR. BERGER: Objection, form.

19 THE WITNESS: I know there was an earnout.
20 I don't recall how it was structured and I'm not sure
21 that High Mesa was relevant to that.

22 Q. (BY MR. BRODEUR) Were you the beneficiary, you
23 personally the beneficiary of any earnout in the
24 business pursuant to the business combination?

25 MR. BERGER: Objection to form.

[PAGES INTENTIONALLY OMITTED]

1 the focus of our near-term development plan was this
2 area that is described in terms of 4,200 identified
3 gross drilling locations.

4 Q. (BY MR. BRODEUR) What does "near term" mean in
5 this context?

6 A. It's been almost six years since we -- since I
7 last looked at this. So when I think of near-term
8 development plan, it was what we would be doing in the
9 initial stages, be it months or years, of our
10 stewardship of this acreage and our focus would be the
11 area that is represented by -- and we have maps, too,
12 that we show, represented by these, if you will,
13 floating bars, the value of those.

14 Q. Does the number 4,196 come from simply taking a
15 number of sections in Alta Mesa's stack acreage and
16 multiplying it by 14?

17 A. It was derived mathematically. I don't know
18 the -- I don't recall the specific math, but it's fairly
19 straightforward based on the acreage position we
20 controlled and the number of benches that we saw in the
21 Osage and Meramac and a fairly nominal amount of
22 activity in the Oswego.

23 Q. Okay. So each blue bar inside the dashed red
24 box, each of those represents a dollar value assigned to
25 a group of existing or contemplated wells; is that true?

1 A. Let me look at the footnotes because that would
2 give insight.

3 Q. We actually have marked the footnotes as a
4 separate exhibit for ease of viewing, Exhibit CP-0409.
5 It would be much easier for you to read.

6 (Exhibit No. CP-0408 and 0409 were marked.)

7 THE WITNESS: I hate to do that because I'm
8 going to lose my place here. But I think the key to
9 this is that this is a discounted cash flow value in
10 each of these floating bars. And the -- and so as I
11 said earlier, the PDP portion of this is one that has --
12 you know, per SEC reserves engineering approach and
13 protocol, has the highest confidence level.

14 And then the next three bars being just --
15 you know, being in -- representing three different
16 horizons, the Osage, you know, being most of our
17 Mississippian was Osage, and then we had Meramac and
18 then Oswego. There would be a variation, a gradation
19 across this in terms of certainty.

20 But when you bucket it all together for the
21 Osage, it's that two-and-a-half billion dollars, in the
22 Meramac 1.3, you know, 200,000 in the Oswego, which,
23 yeah, it's a whole lot more than that but -- I mean,
24 today, it's 16,000 barrels a day.

25 So the -- yeah, I mean, it's -- and this is

1 based on price techs and operating cost assumptions and
2 GNA costs and things that are relevant to a NAV
3 depiction.

4 Q. (BY MR. BRODEUR) Is one of the
5 assumptions underlying -- so on the top of those bars,
6 you see a dollar value assigned to each bar written in
7 numerical format. Do you see that?

8 A. I do.

9 Q. Okay. Are the dollar values here, is one of
10 the assumptions underlying those numbers the assumption
11 that there would -- Alta Mesa would drill 12 wells per
12 section in the Meramac and Osage?

13 MR. BERGER: Objection, form.

14 Q. (BY MR. BRODEUR) Okay. So let's do it one at
15 a time.

16 So you talked about PDPs. The next bar
17 over is the Osage, correct?

18 A. It is.

19 Q. Okay. And these are -- these are wells that
20 had not yet -- were not yet producing in the Osage,
21 correct?

22 A. That's correct. These are wells yet to be
23 drilled or at least yet to be completed. You know, the
24 PDP is everything that -- it's on production.

25 Q. So 2,000,000,566, that is the value assigned to

[PAGES INTENTIONALLY OMITTED]

1 Q. Having reviewed this document, does this -- did
2 this document refresh your recollection in any respect?

3 A. Not really. It does tell -- it does say that
4 Tim spoke to me and I see that we used Inner Site, which
5 is a scenario generating model that tries to take into
6 account all of the shut-ins, the offset fracs, drilling
7 activity. It's sort of like a -- what a programming
8 model would be in a manufacturing operation and...yeah,
9 that's...

10 Q. Do you read this document to suggest that
11 Mr. Turner spoke to you around 2:00 in the afternoon on
12 February 28, 2018 about potentially adjusting Alta
13 Mesa's type curve?

14 MR. BERGER: Objection, form.

15 THE WITNESS: I think the context here is
16 the basis of the forecast and it suggests that he -- I
17 mean, the two of us had a discussion. And whether or
18 not it was related to type curve, I don't get that out
19 of this.

20 Q. (BY MR. BRODEUR) Mr. Turner writes in the top
21 email, (Reading:) I'm going to re-forecast PDP to take
22 into account better operations.

23 Do you see that?

24 A. I do.

25 Q. Do you remember having any conversation with

1 Tim Turner in February of 2018 about re-forecasting
2 proven developed producing?

3 THE REPORTER: Can you say that again?

4 THE WITNESS: I don't --

5 MR. BRODEUR: Proven developed producing.

6 THE WITNESS: Yeah. And I don't -- is it
7 okay to proceed?

8 THE REPORTER: Yes.

9 THE WITNESS: I'm asking the reporter.

10 Okay. I don't really recall this.

11 Generally, I recall these kinds of conversations, and I
12 don't know enough about Inner Site to even understand to
13 be able to speak authoritatively on what PDP means in
14 this context, because it's certainly not a forecast of
15 proven reserves.

16 To me, it's -- well, Inner Site takes
17 existing wells and makes a forecast. I don't know the
18 better operations that he's referring to. But, yeah, I
19 just don't have enough context for this -- this email
20 chain.

21 Q. (BY MR. BRODEUR) All right. If you scroll
22 down to the email that -- from Kaitlyn Matthews that
23 carries over on to the second page, do you see that
24 email?

25 A. I do.

[PAGES INTENTIONALLY OMITTED]

1 Q. Okay. And then there was another -- other
2 option was exponentially increasing by two well hookups
3 per month, correct?

4 A. That's correct.

5 Q. And that gets you to \$101.1 million EBITDA?

6 A. That's correct.

7 Q. Okay. What basis did you have to believe that
8 Alta Mesa's midstream business would add even one
9 additional well hookup per month for 2018?

10 MR. BERGER: Objection, form.

11 THE WITNESS: Well, that's not what I'm
12 saying here. Nobody is saying that I believe this.

13 Q. (BY MR. BRODEUR) Okay. Did you believe that
14 Alta Mesa's midstream business would add one additional
15 well hookup per month through the end of 2018?

16 A. I -- I don't recall and this doesn't inform me.

17 Q. Okay. Did you ask Ms. Alsarraaf whether the
18 assumptions in her -- these two cases here -- strike
19 that.

20 Did you ask Ms. Alsarraaf whether the cases
21 that she's referring here in the top email were
22 realistic in her judgment?

23 A. I don't recall having a specific conversation
24 with Tamara about this. But it's the sort of thing that
25 informs the group that is looking at planning, and I

[PAGES INTENTIONALLY OMITTED]

1 THE WITNESS: I wouldn't. I can't
2 imagine -- well, I can't imagine John speaking loudly,
3 first. He's not a loud person. And I can't imagine not
4 paying attention.

5 Q. (BY MR. BRODEUR) Why can't you imagine not
6 paying attention?

7 A. I try to respect people.

8 Q. And the -- Alta Mesa's use of ESPs was
9 something you were paying a lot of attention to in 2018,
10 correct?

11 MR. BERGER: Objection, form.

12 THE WITNESS: From time to time. It was
13 certainly an important part of what we were trying to
14 learn and we -- we message that all the way back into
15 2017 as we're using -- we're trying to figure out the
16 best application of artificial lift throughout the life
17 cycle of a well. We -- or Mike -- actually, Mike and
18 Gene established a -- a team that looked at lift, and I
19 have seen that weekly from what I recall. Probably sat
20 in on ten minutes of one of those meetings. But he had
21 all -- Gene had all his -- the people on his team
22 participate in those meetings.

23 Q. (BY MR. BRODEUR) And was Mr. Balbauff at that
24 meeting?

25 A. Now, I couldn't tell you if John was at a given

[PAGES INTENTIONALLY OMITTED]

1 that ultimately get developed in the area that we were
2 taking the steps to understand the right amount of lift,
3 critical part of the life cycle of the well.

4 Q. (BY MR. BRODEUR) Is it true that you
5 instructed Jerry Swearingen in mid to late March of 2018
6 to identify about 20 wells that were good candidates for
7 ESPs?

8 MR. BERGER: Objection, form.

9 THE WITNESS: Jerry didn't report to me. I
10 didn't give instruction to Jerry.

11 Q. (BY MR. BRODEUR) Did you give that instruction
12 to anyone in March of 2018?

13 A. You know, the number sounds familiar, and Mike
14 Ellis and I discussed the application and we had general
15 confidence that there -- this was, you know, a good
16 application and appropriate.

17 VIDEOGRAPHER: Excuse me. We're at the
18 seven hours. Excuse me. Just saying. Sorry.

19 MR. BERGER: I don't think there's a
20 question pending.

21 MR. BRODEUR: Are you done with your
22 answer, sir?

23 THE WITNESS: Yeah.

24 MR. BRODEUR: Okay. Are you suspending the
25 deposition, Casey?

[PAGES INTENTIONALLY OMITTED]

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION
Case No. 4:19-CV-00957

-----x
In re ALTA MESA RESOURCES, INC.
SECURITIES LITIGATION
-----x

July 13, 2023
1:01 p.m.

CONFIDENTIAL TRANSCRIPT

Remote video-teleconference
deposition via Zoom of STEPHEN COATS,
pursuant to notice, before Jineen Pavesi,
a Registered Professional Reporter,
Registered Merit Reporter, Certified
Realtime Reporter and Notary Public of the
State of New York.

[PAGES INTENTIONALLY OMITTED]

1 COATS - CONFIDENTIAL

2 either.

3 Q. Was the first of those SPACs
4 chronologically Silver Run I?

5 A. Yes.

6 Q. Do you remember what your role
7 was with respect to Silver Run I?

8 A. I think I was just secretary.

9 Q. What are the duties of being
10 the secretary of a SPAC?

11 A. Very few; given that a SPAC
12 doesn't have any assets, it only has --
13 sorry, when they're formed they don't have
14 any assets, they only have cash at the
15 time of the IPO, so the secretary's job
16 would have been to forward -- my job
17 would have been to forward certain
18 documents to the board of directors, to
19 make sure they got signed, to help make
20 sure those meetings happened; I don't
21 think there are really any other roles.

22 Obviously a secretary in a
23 public company that's a right-way public
24 company with a pool of assets is a little
25 different, probably a lot more board

1 COATS - CONFIDENTIAL

2 meetings and more roles for the secretary.

3 In a SPAC, very, very limited.

4 Q. Do you still talk to any of
5 your colleagues when you were at
6 Riverstone Holdings?

7 A. I do, yes.

8 Q. Who are you still in touch
9 with?

10 A. I am in touch with I think
11 probably everybody at the firm at one time
12 or another over the last year.

13 Our office is currently in the
14 same building that Riverstone's office is
15 in, so I see them all the time.

16 As I said, they're clients, so
17 I see the founders regularly, I see a lot
18 of other people regularly and I still, you
19 know, being in the same building, I see
20 them a lot.

21 Q. Have you discussed with any of
22 the employees this litigation?

23 A. Well, have I ever discussed
24 this litigation, yes, when I was still at
25 Riverstone as general counsel.

[PAGES INTENTIONALLY OMITTED]

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2 Q. Did you have a Silver Run II
3 e-mail address?

4 A. No.

5 Q. Did you have a Silver Run II
6 office?

7 A. No.

8 Q. Did you have a Silver Run II
9 business card?

10 A. No.

11 Q. Were you involved in any way in
12 Silver Run II's SEC filings during the
13 period of March 2017 to August of 2017?

14 A. Only in that I probably saw
15 e-mails when they were sent to the board,
16 but, no, I wasn't involved in the
17 preparation or review of them.

18 Q. Did you do anything personally
19 to ensure the documents filed with the SEC
20 during that time period were accurate?

21 A. I just wasn't involved in
22 preparing them, so I didn't -- I wouldn't
23 say I made sure they were accurate, I
24 don't know that I would even have fully
25 read them.

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2 My job was to forward them on
3 to the board to approve.

4 Q. Are you aware that Silver Run
5 II, once the business combination closed,
6 was renamed Alta Mesa Resources?

7 A. Yes.

8 Q. Were you ever an employee of
9 Alta Mesa Resources?

10 A. No.

11 Q. Who was the sponsor for Silver
12 Run II?

13 A. Riverstone.

14 Q. Do you recall any differences
15 in the structures between Silver Run I and
16 Silver Run II regarding who was the
17 sponsor?

18 A. Yes, because Silver Run I was
19 the sponsor -- when I say Riverstone, I'm
20 using that sort of generally -- Riverstone
21 was the sponsor of Silver Run I, meaning a
22 vehicle owned by the partners of
23 Riverstone, and so employees of Riverstone
24 were the owners of the -- the sponsor
25 shares, not all the sponsor warrants, I

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2 A. I think it would have been
3 probably David Leuschen, his job to select
4 the initial board members.

5 Q. After the Silver Run II IPO,
6 were you involved at all in the process to
7 search for an acquisition or merger
8 target?

9 A. No.

10 Q. Who was responsible for Silver
11 Run II finding and negotiating with a
12 merger or acquisition target?

13 A. It would have been the deal
14 team at Riverstone, so anyone who works,
15 again, splitting the equity side of the
16 house and credit side of the house, so
17 anybody from a partner down to a junior
18 person on the equity side.

19 There was no formal group that
20 was responsible for selecting an
21 acquisition, but there were acquisitions
22 that were always being reviewed at the
23 firm because Fund VI is always looking for
24 opportunities and so that would have been
25 I assume one of the opportunities that

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2 came up to the deal team and they thought
3 it was right for the SPAC.

4 Q. Do you recall learning at some
5 point that Silver Run II was considering a
6 transaction with Alta Mesa Holdings and
7 Kingfisher Midstream?

8 A. Yes.

9 Q. Do you know approximately when
10 that was?

11 A. No.

12 Q. Had you ever heard of those
13 companies?

14 A. No, not before that.

15 Q. Were you involved in Silver Run
16 II's negotiations with Alta Mesa Holdings
17 and Kingfisher Midstream?

18 A. I was not.

19 Q. Were you involved in Silver Run
20 II's due diligence of Alta Mesa Holdings
21 in Kingfisher Midstream?

22 A. No.

23 Q. Who at Silver Run II was
24 responsible for due diligence of Alta Mesa
25 Holdings and Kingfisher Midstream?

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2 A. It wouldn't have been at Silver
3 Run II, it would have been at Riverstone,
4 and it would have been the deal team, same
5 group I was talking about that selects a
6 transaction, it would have been some
7 subset of that group, probably partner
8 level down to associate level, there would
9 have been a group of people who both did
10 the diligence -- if you're talking about
11 internal people versus hiring external
12 parties, there were lots of external
13 parties involved.

14 But it would have been a deal
15 team at Riverstone, I couldn't tell you
16 exactly who that is, but it would have
17 involved Jim Hackett, Olivia Wassner,
18 others, Kevin Wang, there are probably
19 five or six other people that worked on
20 it.

21 Q. Are you still in touch today
22 with Mr. Hackett?

23 A. No, I haven't spoken with Jim
24 in several years.

25 Q. Do you know how Mr. Hackett was

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2 selected as the head of Silver Run II?

3 A. No.

4 Q. After the IPO and before the
5 merger was announced, proposed merger was
6 announced in 2017, did you attend any
7 meetings with the management of Alta Mesa
8 or Kingfisher?

9 A. Not that I recall, I never met
10 the management in person of those
11 companies.

12 I can't tell you, I may have
13 been on a board call where they were on
14 the same call, but I certainly have never
15 met them.

16 Q. Have you ever been to Alta
17 Mesa's offices?

18 A. No.

19 Q. Have you ever been to any of
20 Alta Mesa's well sites?

21 A. No.

22 Q. Have you ever been to
23 Kingfisher's offices?

24 A. No.

25 Q. Have you ever been to

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2 Kingfisher's facilities?

3 A. No.

4 Q. Did you do any analysis of Alta
5 Mesa's drilling results in 2017?

6 A. No, I'm not -- that wasn't my
7 role.

8 Q. Did you do any analysis of Alta
9 Mesa's accounting practices during 2017?

10 A. No.

11 Q. Are you aware that Silver Run
12 II pursued a pipe offering in connection
13 with its merger with Alta Mesa and
14 Kingfisher?

15 A. Yes.

16 Q. Did you have any role with
17 respect to the pipe offering?

18 A. Not that I recall, no.

19 Q. When the proposed transaction
20 was announced in August of 2017, there was
21 a press release and Form 8-K and investor
22 presentation released on August 16th and
23 August 17th of 2017.

24 Did you have any role in
25 preparing any of those documents?

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2 A. No, not that I recall, no.

3 Q. Do you recall if you reviewed
4 those documents before they were filed
5 with the SEC?

6 A. No, I don't recall reviewing
7 those.

8 Q. Did you do anything to verify
9 the statements in those filings were
10 accurate?

11 A. Again, I don't recall reviewing
12 them, so, no.

13 Q. Are you aware that after the
14 proposed transaction was announced but
15 before it closed, Silver Run II issued a
16 proxy statement to investors?

17 A. Yes.

18 Q. Did you have any role with
19 respect to the proxy statement?

20 A. No.

21 Q. Who was responsible for
22 preparing the proxy statement?

23 A. Proxy statement would have been
24 prepared by outside counsel and approved
25 by the board.

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2 Q. When you say outside counsel in
3 this context, who are you referring to?

4 A. I think in that case, at that
5 time, given that it was deal-related, I
6 think it would have been someone at Latham
7 & Watkins, but I can't be sure.

8 Q. It is your testimony that
9 Latham & Watkins was responsible for
10 drafting the proxy statement?

11 A. Well, as I said, Weil was
12 involved earlier on, Latham was involved
13 later, so I couldn't tell you exactly who
14 prepared that proxy statement, but it
15 would have been one of those two counsel.

16 I should say prepared that
17 along with I assume the management team as
18 Latham doesn't have underlying details, so
19 they're just preparing based on
20 information provided to them.

21 Q. When you say management team,
22 management team of what company?

23 A. I guess -- I am not sure who
24 prepared that, to be honest.

25 Q. Do you recall reviewing the

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2 proxy before it was filed?

3 A. I don't.

4 Q. Did you personally do anything
5 to verify the accuracy of the statements
6 in the proxy statement?

7 A. No, I don't recall reviewing
8 it; I might have read it, but I don't
9 recall that.

10 That wasn't really my role, to
11 review those documents.

12 Q. Was there someone at Riverstone
13 responsible for reviewing those documents
14 before they were filed?

15 A. It would have been people who
16 worked on the deal team probably would
17 have reviewed that proxy, I assume they
18 did, and there may have been a lawyer on
19 it who reviewed it on the Riverstone side,
20 but that wasn't me.

21 Q. Are you familiar with the term
22 co-investment?

23 A. Yes.

24 Q. What is a co-investment in a
25 private equity context?

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IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE ALTA MESA) Case No.:
RESOURCES, INC.) 4:19-cv-00957
SECURITIES LITIGATION)

ORAL AND VIDEOTAPED DEPOSITION OF
CHARLES "BO" DUNNE

June 8, 2023

ORAL AND VIDEOTAPED DEPOSITION OF CHARLES "BO"
DUNNE, produced as a witness at the instance of the
Plaintiffs, and duly sworn, was taken in the
above-styled and numbered cause on the 8th day of June,
2023, from 9:11 a.m. to 5:23 p.m., via videoconference,
before Abigail Guerra, CSR, in and for the State of
Texas, reported by machine shorthand, where all
attendees appeared via Zoom in their respective
locations, pursuant to the Federal Rules of Civil
Procedure and the provisions stated on the record or
attached hereto.

[PAGES INTENTIONALLY OMITTED]

1 closed in February of 2018?

2 A. No.

3 We formed a new entity, KFM Holdco, at one
4 point. I think it was prior to -- well, it was prior to
5 the combination, and I can't -- I think it was to make,
6 you know, the transaction a little bit more seamless
7 from a consideration perspective.

8 There are also might have been some tax
9 implications. I don't entirely recall. But the
10 ownership remained the same and the structure, the
11 underlying structure.

12 Q. In the period from the start of 2017 through, I
13 want to say, March 30, 2017, did Kingfisher Midstream
14 hold any board of directors meetings?

15 A. From January to March?

16 Q. Sorry. Let's make it simpler.

17 Prior -- prior to March of 2017, did
18 Kingfisher hold board of directors meetings?

19 A. Yes.

20 Q. Approximately how often were they held?

21 A. I think they were more ad hoc, but I would say
22 we probably had one at least every six months.

23 Q. And prior to March of 2017, do you know who
24 composed or who -- yeah.

25 Who -- who was on the Kingfisher Midstream

1 board of directors?

2 A. Yes.

3 So it was representatives from HPS. I
4 believe Don was the manager or designee. And then from
5 Alta Mesa, it would have been Hal Chappelle and
6 Michael Ellis. And then at ARM, it was Zach Lee and Gil
7 Burciaga.

8 Q. Was ARM Energy responsible for preparing
9 updates and other materials for the Kingfisher board of
10 directors?

11 A. Yes.

12 Q. Is that true all the way up through the closing
13 of the business combination?

14 A. Yes.

15 Q. Prior to the business combination in February
16 of 2018, who was responsible for managing Kingfisher
17 Midstream's bank accounts?

18 MR. POLLET: Object to form.

19 A. ARM was responsible for the day to day.

20 Q. (BY MR. SHER) You said "day to day."

21 Is there -- there any other type of
22 oversight or management of Kingfisher Midstream's bank
23 accounts prior to February 2018?

24 MR. POLLET: Object to form.

25 A. Yes.